



Nevada Division of Insurance

VIATICAL SETTLEMENT BROKER NOTIFICATION REGISTRATION

Nevada Law was amended, effective 10/1/2005 to allow a licensed life qualified producer of insurance to act as a Viatical Settlement Broker under the following conditions.

Chapter 688C of NRS is hereby amended by adding thereto a new section to read as follows:

1. A natural person who has been licensed for at least 1 year and who is in good standing as a resident or nonresident producer of insurance with a life insurance qualification is not required to be licensed as a broker of viatical settlements.
2. A licensed producer of insurance specified in subsection 1 must register with the Division not more than 30 days after first operating as a broker of viatical settlements, on a form prescribed by the Commissioner, and pay the fee for registration pursuant to NRS 680B.010. Failure to register within the required period or late payment of or failure to pay the fee may result in the imposition of an administrative fine of not more than \$500.
3. A producer of insurance who acts as a broker of viatical settlements pursuant to subsection 1 shall comply with the provisions of NRS 688C.220 to 688C.250, inclusive, and 688C.310.

NRS 688C.220 Filing and approval of forms; submission of advertising material. A person shall not use a form of viatical settlement or of disclosure in this state unless the form has been filed with and approved by the Commissioner. The Commissioner shall disapprove such a form if, in his opinion, the settlement or any of its terms is unreasonable, contrary to the interests of the public or otherwise misleading or unfair to the viator. The Commissioner may require the submission of advertising material before its use.

NRS 688C.230 Filing of annual statement; disclosure of identity of insured.

1. Each licensee under this chapter shall file with the Commissioner on or before March 1 of each year an annual statement containing such information as the Commissioner prescribes by regulation.
2. Except as allowed or required by a statute other than this chapter, a provider or broker of viatical settlements, an insurer, a producer of insurance, an information bureau, a rating agency or any other person knowing the identity of an insured shall not disclose that identity as an insured to any other person unless the disclosure is:
 - (a) Necessary to effect a viatical settlement between the viator and a provider of viatical settlements and the viator and the insured have given prior written consent to the disclosure;
 - (b) Furnished in response to an investigation or examination by the Commissioner or another governmental officer or agency;
 - (c) A term of or condition to the transfer of a policy by one provider of viatical settlements to another provider; or
 - (d) Necessary to permit a financing agent to finance the purchase of a policy by a provider of viatical settlements and the insured has given prior written consent to the disclosure.

NRS 688C.240 Retention of records and documents.

1. A person required to be licensed under this chapter shall retain for 5 years copies of all:
 - (a) Contracts, underwriting documents, forms of policy and applications, from the date of the proposal, offer or execution, whichever is latest;
 - (b) Checks, drafts and other evidence or documentation relating to the payment, transfer or release of money, from the date of the transaction; and
 - (c) Records and documents related to the requirements of this chapter.
2. This section does not relieve a person of the obligation to produce a document described in subsection 1 to the Commissioner after the expiration of the relevant period if the person has retained the document.
3. Records required by this section to be retained must be legible and complete. They may be retained in any form or by any process that accurately reproduces or is a durable medium for the reproduction of the record.

NRS 688C.250 Disclosures to viator upon or before execution of application for settlement.

1. With each application for a viatical settlement, a provider or broker of viatical settlements shall furnish to the viator at least the following disclosures no later than the time the application for the settlement is signed by all the parties, in a separate document signed by the viator and the provider or broker:
 - (a) The possible alternatives to viatical settlement, including any accelerated death benefits or loans offered under

the viator's policy.

(b) Some or all of the proceeds of the viatical settlement may be taxable under the federal income tax or a state franchise or income tax, and assistance should be sought from a professional tax adviser.

(c) Proceeds of the viatical settlement may be subject to the claims of creditors.

(d) Receipt of proceeds of a viatical settlement may adversely affect the viator's eligibility for Medicaid or other governmental benefits, and advice should be sought from the appropriate governmental agencies.

(e) The viator has a right to terminate a viatical settlement within 15 days after his receipt of the proceeds, as provided in [NRS 688C.300](#), and if the insured dies during that period, the settlement is terminated and all proceeds must be repaid to the provider.

(f) Money will be sent to the viator within 3 business days after the provider has received the insurer's or group administrator's acknowledgment that ownership of or interest in the policy has been transferred and the beneficiary has been designated.

(g) Entering into a viatical settlement may cause other rights, including conversion and waiver of premium, that may exist under the policy to be forfeited by the viator, and assistance should be sought from a financial adviser.

(h) A brochure is provided which describes the process of viatical settlement, in the form prescribed by the National Association of Insurance Commissioners unless the Commissioner prescribes a different form.

2. The document in which the disclosures required by paragraphs (a) to (g), inclusive, of subsection 1 are made must also contain the following:

All medical, financial and personal information solicited or obtained by a provider or broker of viatical settlements about an insured, including his identity and that of members of his family, a spouse or other relationship, may be disclosed as necessary to effect the viatical settlement between the viator and the provider. If you are asked to provide this information, you will be asked to consent to the disclosure. Failure to consent may affect your ability to viaticate your policy. The information may be furnished to someone who buys the policy or provides money for the purchase.

NRS 688C.310 Contact with insured to determine status of his health after settlement.

1. Contact with an insured to determine the status of his health after a viatical settlement may be made only by a provider or broker of viatical settlements who is licensed in this state, or its authorized representative, and no oftener than once every 3 months if the insured has a life expectancy of 1 year or more, or once every month if the insured has a life expectancy of less than 1 year. The provider or broker shall explain the procedure for those contacts at the time the settlement is entered into.

2. The limitations of subsection 1 do not apply to contacts for purposes other than determining status of health.

3. A provider or broker is responsible for the acts of his authorized representative.

Questions:

Contact the Division's Producer Licensing Section in Carson City at (775) 687-0700, option 1, in Las Vegas at (702) 486-4595 or anywhere in Nevada toll free at (800) 992-0900.

Title 57 of the Nevada Revised Statutes (NRS) governs the business of insurance. Nevada's laws and regulations are available online at www.leg.state.nv.us or www.doi.nv.gov. Producer Licensing Section forms can be found by logging on to www.doi.nv.gov.



Department of Business and Industry

Nevada Division of Insurance

1818 E. College Pkwy, Suite 103, Carson City, Nevada 89706 **Phone:** (775) 687-0700 **Fax:** (775) 687-0787 **Web:** doi.nv.gov

VIATICAL SETTLEMENT BROKER NOTIFICATION REGISTRATION FORM

This completed form and [\\$310](#) filing fee must be filed with the Nevada Division of Insurance not more than 30 days after first operating as a broker of viatical settlements in the State of Nevada.

- ☐ [688C.230](#) Annual report by broker of viatical settlements. Due on or before
March 1 of each year
- ☐ [NRS 688C.220](#) Filing and approval of forms; submission of advertising material.

Full Name of Licensee: _____
Print

Address: _____

National Producer Number or Social Security Number: _____

In which state are you licensed as a resident producer? _____
Provide your Nevada resident or nonresident producer license number: _____

Date when Licensee first acted as a Viatical Settlement Broker in Nevada: _____

Was a Viatical Settlement Provider involved in the transaction? _____ Yes _____ No

If yes, provide the name and address of the Viatical Settlement Provider:

Any transaction with a Viatical Settlement Provider must be with a Nevada licensed provider.

I certify that I am licensed as a Life producer in good standing in my state of residence and have been licensed for at least 1 year. I further certify that I am knowledgeable in the laws and regulations in the State of Nevada that pertain to Viatical Settlements.

Signature

Date